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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

11 October 1956

STAFF MEMORANDUM NO. 81-56

SUBJECT: Recent Developments in Korea

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1. The outcome of the May general elections in South Korea demonstrated that certain portions of the South Korean estimate (NIE 42.1-56, 7 February 1956) were invalid. In particular, the strength of the popular opposition to President Rhee himself was underestimated and the election of the vice presidential candidate of the opposition party rather than of Rhee's Liberal Party was not anticipated. As a result of the elections and subsequent developments, we believe our estimates of the current political situation and of developments following Rhee's death should be modified.

President Rhee's Present Position

2. In the NIE, we were quite firm in our estimate of President Rhee's personal strength and in our belief that this position would not be challenged during his lifetime. However, in the recent

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presidential elections, despite the fact that Rhee's opponent died prior to the elections, the President received only 55.6 percent of the total vote compared to 74.6 percent in 1952. Rhee and Liberal Party leaders also apparently underestimated the extent of dissatisfaction throughout the country and the extent to which the opposition had strengthened its organization. As a result the administration did not exercise its full capabilities to influence the outcome of the elections. In this situation Rhee's ability to maintain his dominant role will depend increasingly on the loyalty and effectiveness of the security forces and, to a lesser extent, on his ability to revitalize the Liberal Party and other supporting organizations.

The Liberal Party

Rhee's administration has aggravated the dissension and unrest within the ranks of the Liberal Party. It is now probable that the Party could not retain control of the government without the firm hand of President Rhee. In contrast to the situation dealt with in NIE 42.1-56, there is today no one person who holds a clear position as "heir apparent" to Rhee's political power. Until his defeat in the vice presidential election, Yi Ki-bung the Liberal Party chairman and the Speaker of the National Assembly appeared as the

most likely successor to President Rhee. Though not a dynamic leader, Yi derived his strength from Rhee's support, from a high degree of political astuteness and organizational ability, and from close personal and working relationships with the then ROK army Chief of Staff Chong Il-kwon and Defense Minister Son Won-il. Rhee has continued to support Yi since the election but Yi's defeat and the removal of General Chong and Admiral Son from their posts has reduced substantially Yi's political strength.

The Opposition

4. The political strength developed by the Democratic Party, now the strongest of the several opposition parties, was the most significant development since the publication of NIE 42.1-56 and one which was not fully anticipated. Its vice presidential candidate, Chang Myon, was elected and under the present constitutional provisions stands to succeed Rhee as president in the event of his death before his term of office expires. Like all Korean parties the Democratic Party suffers from factionalism and the opportunism of its individual members and the sudden death of Sin Ik-hui, the principal leader, during the presidential campaign last spring further complicated the problem of leadership. Chang Myon's chief rival for power with the Democratic Party is party supreme

commissioner Cho Pyong-ok of the Party's conservative wing. Over the next few months, Chang will face enmity within his own party as well as opposition from President Rhee and the Liberal Party. Nevertheless, Chang strengthened his position in his party at the recent party convention.

The ROK Army and Security Forces in Politics

5. The NIE estimate that the army will increase its participation in political affairs has not been borne out by events since the elections of May 1956. General Yi Hyong-kun, who does not appear to have a large personal following or to have been involved in politics was named by President Rhee to replace General Chong Il-kwon as Chief of Staff. General Chong was promoted to char manship of the joint staff, which is a position with little power. General Yi, in turn, is apparently seeking to remove most of General Chong's supporters from important army posts. President Rhee has also removed Vice-Admiral Sohn Won-il as Minister of National Defense. The removal of General Chong and Admiral Sohn appears to have destroyed the forces of political power which seemingly had developed among these two and Yi Ki-pung. Yi, who is considered an opportunist, is not known to have well-developed relations with political leaders.

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6. President Rhee controls the Provost Marshal General Command, the Army's CIC, and The National Police Force. Rhee has used these positions, together with smaller semi-official strong-arm groups, to control elections and to prevent opposition groups from developing a capability of challenging his authority. Although their capabilities were not fully utilized in the May 1956 elections, we believe they still are loyal to Rhee, as well as to certain of his chief lieutenants in the government and the Liberal Party.

The Problem of Succession

7. As a result of the above developments with respect to South Korean political and military leadership, the estimates in the NIE concerning the problem of presidential succession were largely invalidated. Our estimate that the transition would be orderly depended primarily upon the seccessful election of Yi Ki-pung as vice-president. He was closely associated with Rhee, and had the support of the Liberal Party and the principal military leaders. With the election of a vice-president from the opposition, the apparent lessening of Yi Ki-pung's ability to control the Liberal Party, and the many transfers among the higher military leadership, the prospect for an orderly transition is less certain.

- 8. Despite the increased uncertainty, we continue to believe that the most likely development in the event of Rhee's death in the next few months will be Vice-president Chang's succession to the presidency. The most important factors contributing to this and opposing the possibility of a palace coup are:
 - a. Korean politicians generally would believe that the
 US would view unfavorably any unconstitutional seizure
 of power;
 - b. the military leaders appear committed to upholding the constitution;
 - c. many political leaders of all parties have stated that they are opposed to action which might bring about a collapse of constitutional government;
 - d. the fact that despite Democratic Party gains in the executive, the Liberal Party would continue as the majority party in the Parliament at least until elections in 1958;
 - e. the absence of any dynamic Liberal Party leaders or combination of Liberal Party and military leaders (at least to

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our knowledge) who appear to have the ability to engineer a palace coup and to deal with the political distrubances which would almost certainly follow such action.

Even if the succession is in keeping with the constitution it will almost certainly be followed by a period of political unrest growing out of the uncertainty, particularly in the Liberal Party, created by the absence of President Rhee, who dominated most aspects of Korean life

- 9. However, there are too many unknowns in the situation to exclude the possibility that a palace coup would be attempted. The most important factor which might motivate a group of Liberal Party members to undertake such action would be their desire to maintain their positions in the government and to prevent the Democratic Party from gaining control of such instruments of power as the National Police and the PMGC. Crucial to their plans would be their ability to prevent Chang from assuming the presidency and to control the National Police.
- 10. We continue to believe that "the largest and most cohesive organized force in Korean life is the ROK army, and it could determine the outcome of major political conflicts including that of succession." However, "the army would probably not intervene during the succession

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unless internal order was seriously jeopardized. In such an event, the army would probably intervene to restore order and in these circumstances army leadership might have to assume political control of the country until order could be restored.

11. The ONE/FE staff, in light of the invalidation of the portions of the South Korean estimate concerning the presidential succession and of the increased uncertainties with respect to this problem which have arisen since the May elections, recommends that an SNIE: The Problem of Succession in South Korea, be scheduled to

be completed on an urgent basis.	
	Further elucidation regarding

timing of this matter will be forthcoming at the Planning Board meeting on 15 October.

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